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Programme and Budget Committee

Eighteenth session
Vienna, 24-25 September 2002
Item 2 of the provisional agenda

ANNOTATED PROVISIONAL AGENDA

Item 1. Election of officers

In accordance with rule 17.1 each year, at the commencement of its regular session, the Committee shall elect from among the representatives of its members a Chairman and three Vice-Chairmen, and from among the delegations of its members a Rapporteur. Rule 17.3 stipulates that the offices of the Chairman, the three Vice-Chairmen, and the Rapporteur shall be subject to equitable geographical rotation within a five-year cycle in accordance with appendix A to the rules of procedure. According to that appendix, the Chairman of the eighteenth session should be elected from members of the Committee from States included in List B of Annex I to the Constitution and the three Vice-Chairmen from the African States in List A, the Asian States in List A and the States in List D, respectively. The Rapporteur should be elected from members of the Committee from the States in List C.

Item 2. Adoption of the agenda

A provisional agenda for the eighteenth session of the Committee, prepared by the Director-General in consultation with the Chairman of the Committee in accordance with rules 8 and 9 of the rules of procedure, is submitted to the Committee for adoption in document PBC.18/1.

Item 3. Report of the External Auditor, financial performance report and programme performance report for the biennium 2000-2001

Financial regulation 11.10 stipulates that the reports of the External Auditor, together with the audited financial statements, shall be transmitted through the Committee to the Board in accordance with directions given by the Conference. The Committee shall examine the financial statements and the audit reports and submit recommendations to the Board, which shall forward them to the Conference with such comments as it deems appropriate.

The Committee in its conclusion 1987/19 requested the Director-General to submit each year to the Board through the Committee a clear and detailed financial performance report itemizing the utilization of financial resources, as well as a programme performance report describing the level of programme implementation. Subsequently, the Board at its seventh session (decision IDB.7/Dec.11) approved the incorporation of the programme performance report in the annual report. Likewise, the General Conference in its resolution GC.4/Res.2 requested the Director-General to fully incorporate in future annual reports the programme performance report according to Board decision IDB.7/Dec.11. Thus, the Annual Report of

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UNIDO 2001 and its addendum contain the programme performance report for 2001.

The Committee will have before it:

- Report of the External Auditor on the accounts of UNIDO and of the Industrial Development Fund for the fiscal period 2000-2001 ended 31 December 2001 (PBC.18/3-IDB.26/2)
- Comments of the Director-General on the report of the External Auditor (PBC.18/4-IDB.26/3)
- Financial performance report for the biennium 2000-2001. Submitted by the Director-General (PBC.18/6-IDB.26/5)
- *Annual Report 2001* (including programme performance report for 2001) (PBC.18/2-IDB.25/2 and Add.1)

Item 4. Financial situation of UNIDO

The report by the Director-General to the Board at its twenty-fifth session (IDB.25/6) covered a wide range of issues within the context of the financial situation. An update of that document will contain information on the status of assessed contributions, voting rights and the disposition of unencumbered balances of appropriations, income from new Member States and interest income in excess of budgetary estimates arising from General Conference decision GC.9/Dec.10. Thus, the Committee will have before it:

- Financial situation of UNIDO. Report by the Director-General (PBC.18/10-IDB.26/9)

Item 5. Financial regulations

At its twenty-fourth session, the Board decided to extend the mandate of the Intersessional working group on proposed amendments to the financial regulations, under the chairmanship of Austria, to submit proposed amendments to the financial regulations to the Programme and Budget Committee (IDB.24/Dec.7 (d)). An overview report containing a chronology on the work of the group since its inception was circulated to permanent missions with an information note dated 27 March 2002, and the working group met on 4 April 2002. Owing to views expressed on that occasion, no further meetings of the working group were scheduled.

Item 6. Transition to a single-currency system

In accordance with General Conference decision GC.8/Dec.16, a single currency system of assessment based on the euro became effective with the current fiscal period 2002-2003. The report on the financial situation to the Board at its twenty-fifth session (IDB.25/6, para. 22) referred to recent action and developments with respect to the transition and a separate conference room paper was issued on the subject (IDB.25/CRP.3).

The Committee will have before it:

- Transition to a single-currency system. Note by the Secretariat (PBC.18/5-IDB.26/4)

Item 7. Implementation of medium-term programme framework, 2002-2005, including field representation and technology foresight

At its ninth session, the General Conference adopted resolution GC.9/Res.2 on the medium-term programme framework for the period 2002-2005. In that resolution, the Conference encouraged the Director-General to devote particular attention to specified areas in implementing the Business Plan in the period 2002-2005. The implementation of the medium-term programme framework will be the subject of reports to the policy-making organs during that period. Thus, the Committee will have before it:

- Implementation of medium-term programme framework, 2002-2005, including field representation and technology foresight. Report by the Director-General (PBC.18/8-IDB.26/7)

Item 8. Mobilization of financial resources

At its twenty-fifth session the Board adopted decision IDB.25/5 on funds mobilization for integrated programmes. In that decision, the Board, inter alia, requested the Director-General to maintain a continuous dialogue with Member States in order to actively sustain the common resource mobilization efforts and to report on progress made to its twenty-sixth session. That report will be submitted to the Board through the Committee, and should be considered in conjunction with the *Annual Report 2001*, which provides information on mobilization of financial resources for that year.

The Committee will have before it:

- Mobilization of financial resources for UNIDO programmes. Report by the Director-General (PBC.18/7-IDB.26/6)
- Financial resources—Funds mobilization. *Annual Report 2001* (IDB.25/2, chap. V.A)
- Project approvals under voluntary contributions. *Annual Report 2001* (IDB.25/2, appendix B)

Item 9. Medium-term programme framework, 2004-2007

In accordance with General Conference decision GC.2/Dec.23, and as subsequently modified in decision GC.6/Dec.10, the Director-General is requested to submit to the Board in the first year of each fiscal period, through the Committee, a draft medium-term programme framework for the four years that follow the current fiscal period. Furthermore, in compliance with paragraph (b)(v)d of the same decision, the Director-General will indicate a general ceiling for the biennium 2004-2005 based on anticipated resources and on programme activity.

The Committee will have before it:

- Medium-term programme framework, 2004-2007. Proposals of the Director-General (PBC.18/9-IDB.26/8)

Item 10. Date of the nineteenth session

The following dates have been reserved for the policy-making organs of UNIDO in 2003:

6-8 May (tentative)	Programme and Budget Committee, nineteenth session
24-26 June (tentative)	Industrial Development Board, twenty-seventh session
1-5 December	General Conference, tenth session

Item 11. Adoption of the report